

INSTRUCTIONS FOR THE PREPARATION AND SUBMISSION OF ANNUAL BUDGET ESTIMATES

SPECIAL INSTRUCTIONS 1950 ESTIMATES

**EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET**

04201

SPECIAL INSTRUCTIONS FOR THE 1950 ESTIMATES

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SPECIAL INSTRUCTIONS FOR THE 1950 ESTIMATES

301. Application of instructions. The instructions contained herein apply in full to the preparation of the 1950 Budget for all agencies of the Government, except as specifically stated otherwise in the instructions.

302. Staffing requirements for certain administrative services. In order to provide data on staffing requirements for certain administrative services and for public relations and publicity work in the fiscal year 1950 that can be used by the Bureau of the Budget (1) in facilitating analysis of agency requirements in relation to such general standards or guides as can be applied, and (2) in developing Government-wide summary reports on such services for appropriate Congressional committees and others, each department and establishment, except as noted below, is requested to supply the following reports to the Bureau of the Budget as a part of its annual budget submission on or before September 15, 1948:

- a. Summary Distribution of Personal Services (in the form of Exhibit A).
- b. Staffing Requirements for Personnel Services (in the form of Exhibit B).
- c. Staffing Requirements for Fiscal Services (in the form of Exhibit C).
- d. Staffing Requirements for Property Services (in the form of Exhibit D).

The submission should include a justification of any unusual staffing requirements or any disproportionate increases in staffing requirements for personnel, fiscal, property management, budget, organization and methods, or mail and messenger services or for public relations and publicity work.

In addition, each department and establishment is requested to establish or maintain the minimum records necessary to produce certain workload information on mail and messenger services to be available to examiners of the Bureau of the Budget upon request.

Definitions of those administrative services covered by these special instructions and of public relations and publicity work, sample copies of exhibits and instructions for their preparation, and a description of the workload data on mail and messenger services to be available upon request are set forth in appendices to Section 302. Appendix A sets forth instructions for preparation of reports on Summary Distribution of Personal Services (Exhibit A). Appendix B sets forth instructions for preparation of statements on Staffing Requirements for Personnel Services (Exhibit B). Appendix C sets forth instructions for preparation of statements on Staffing Requirements for Fiscal Services (Exhibit C). Appendix D sets forth

instructions for preparation of statements on Staffing Requirements for Property Services (Exhibit D). Appendix E describes workload data on mail and messenger services to be maintained and to be available upon request.

The following departments and establishments are exempted from the requirements of this section:

Central Intelligence Agency
National Security Council
Philippine Alien Property Administration
Philippine War Damage Commission
American Battle Monuments Commission
Office of Defense Transportation
National Capital Housing Authority
National Capital Park and Planning Commission
Panama Canal
Export-Import Bank of Washington
Council of Economic Advisers

303. Increases in salaries in the fiscal year 1949. The Postal Rate Revision and Federal Employees Salary Act of 1948 (Public Law 900, 80th Congress) provided new pay scales for many Federal employees, generally effective on July 11, 1948. Appropriations for the fiscal year 1949 were made prior to the enactment of this law. At the request of the chairmen of the House and Senate Appropriations Committees, the "green sheet" schedules shown in the printed Budget will be based upon the old salary rates for the fiscal year 1949, and, in order to provide comparability, will show the increased pay costs in lump sums for 1950. Accordingly, the instructions transmitted with Bureau of the Budget Circular No. A-11 are revised and supplemented for the 1950 Budget only as follows:

- Sec. 43. The portion of pay act increases which will be paid from sources other than supplemental appropriations will be included opposite the regular entry: "Unobligated balance, estimated savings" for the fiscal year 1949.
- Sec. 44. The total cost of pay act increases for the fiscal year 1950 will be shown as a separate, final item, titled "Pay increase, Public Law 900," in the analysis of obligations by activities (Exhibit F, attached).
- Sec. 45. The entry for "01 Personal services" in the analysis of obligations by objects will be broken down into two sub-classes as follows (Exhibit G, attached):

At rates prior to Public Law 900.
Cost of Public Law 900.

The second of these two lines will have an entry for the fiscal year 1950 only.

Secs. 47-49. The stub column and the amount columns of the schedules showing the detail of personal services will be based upon the rates prevailing prior to the passage of Public Law 900. The final totals at the old rates will be placed opposite a new entry reading: "Personal services at rates prior to Public Law 900." An additional entry will be made, using only the 1950 column, as follows: "Cost of Public Law 900." The usual final total "01 Personal services" will then be used for all three years (Exhibit H, attached).

Sec. 52. Expenditure analysis sheets will show on the correct lines and without separate identification in the body of the form the obligations and expenditures for pay act increases to the extent that they are being financed from sources other than supplemental appropriations. This will be done even though it makes the expenditure analysis sheets inconsistent with the green sheets, since the latter treats such obligations as "Unobligated balance, estimated savings." Separate Standard Forms 110 will not be required for pay act supplementals, but the regular Forms 110 will be foot-noted, as in the attached example (Exhibit I, attached) to show the total pay act costs, the portion thereof shown in the body of the form, and the portion thereof which is excluded from the body of the form because it is expected to be financed from a supplemental appropriation. In computing the obligated balance forward as of June 30, 1949, it will be assumed that the portion applicable to the pay act supplemental will represent that portion of the total carryover applicable to the increased cost due to Public Law 900.

Sec. 81. The cost of within-grade salary advancements will be estimated as prescribed in the regular instructions, but the use of old pay rates as a base requires a substitution of a new table of percentages. New Exhibit J, attached, is to be used for the 1950 Budget only in lieu of Exhibit 81-B, dated June 30, 1948.

Sec. 83. The pay increase due to Public Law 900 will be ignored in the 1949 column and shown only in the 1950 column of the statement of health program requirements. Item 1-A(3) will be reworded and followed by new items as follows:

- (3) 01 Personal services at rates prior to
Public Law 900.
- (4) Cost of Public Law 900.
- (5) 01 Personal services.

To the extent applicable the methods for showing expenses prescribed in Part II of the instructions are hereby modified to be consistent with the foregoing provisions.

304. Payments for penalty mail. As a result of the repeal of requirements that agencies make payments for penalty mail (Title III, of the Second Deficiency Appropriation Act, 1948) appropriation and limitation language for that purpose will be deleted this year. The amounts appropriated for such costs for the fiscal year 1949 will be included on Standard Form 3a opposite the entry for "Unobligated balance, estimated savings." Obligations for penalty mail for the fiscal year 1948 will be shown on Standard Form 3a as indicated by section 45 of the instructions. Payments into the Treasury for penalty mail costs in the fiscal year 1948 and any payments to liquidate 1948 penalty mail obligations in 1949 will be shown in the regular way on Standard Form 108 (receipts) and on Standard Forms 106 and 110 (expenditures).

305. Appropriation language generally. General provisions in Title II of the Independent Offices Appropriation Bill, applicable to appropriations generally, are expected to remain about the same in substance, except that a change from \$1400 to \$1500 will probably be recommended in the limitation on the purchase price of automobiles.

306. Interest rates for use in certain business-type budgets. Interest rates to be used in calculating imputed costs, as required by sections 222 and 226 of the instructions for business-type budgets, are as follows:

Fiscal year 1948	-- 1.750%
Fiscal year 1949	-- 1.875%
Fiscal year 1950	-- 1.875%

Appendix A to Sec. 302
Special Instructions
for 1950 Estimates

Instructions for the Preparation of Report on
Summary Distribution of Personal Services (Exhibit A)

1. General. Each department and establishment is requested to submit, in quadruplicate, separate reports on Summary Distribution of Personal Services, in the form of Exhibit A attached hereto, for (a) each bureau or comparable unit or each corporation, (b) for the office of the Secretary, Administrator or comparable agency headquarters, and (c) for the department or establishment as a whole. Small agencies which are not organized into bureaus or other comparable units shall, however, submit only one report for the agency as a whole.

Each such report shall show average paid employment and total salary obligations in the fiscal years 1948, 1949, and 1950 in accordance with the classifications of personal services (01) set forth on Exhibit A. Only employment and salary obligations in the continental United States are to be reported for the several classifications of administrative services listed on Exhibit A. The summary report covering the department or establishment as a whole shall not list the appropriations from which salary obligations for administrative services are financed, except in the case of small agencies submitting only a single report for the agency as a whole. Detailed instructions for preparation of Exhibit A are set forth in paragraph 3 of this appendix.

2. Definitions of classifications of personal services.

- a. Administrative services - are those services and activities provided by an agency as an adjunct to its own program activities or those of another agency which it serves, either on a reimbursable or non-reimbursable basis. Included are the following services, which are defined below in paragraphs b. to g., inclusive: (1) personnel; (2) fiscal; (3) property management; (4) budget; (5) organization and methods (management engineering); and (6) mail and messenger. Also included are such services as printing and duplicating, records, library, maintenance of premises, operation (but not procurement, repair or maintenance) of motor vehicles, telephone and other communications, stenographic pools, and other activities performed as a service to program operations. Those administrative services which an agency performs for the Government as a whole, such as the work of the Civil Service Commission and the Bureau of Federal Supply dealing with Government personnel and supply, are excluded from this definition.
- b. Personnel services - include regularly assigned duties relating to: (1) direction and administration of the personnel program; (2) employment, placement, and separation; (3) job evaluation

and classification of salaried positions; (4) employee relations and services (including award and appeal systems); (5) training; (6) committees of expert examiners and boards of Civil Service examiners; (7) wage administration; (8) processing; records and reports; (9) health services; and (10) any other activities considered to be a part of personnel administration. Payroll operations, time and leave reporting and recording, and the maintenance of retirement records are excluded from this definition of personnel services. (For more detailed definition, see paragraph 2. of Appendix B.)

- c. Fiscal services - include all accounting (except property accounting), auditing, financial reporting and other related work. Payroll operations, time and leave reporting and recording, and the maintenance of retirement records are included within this definition of fiscal services. Excluded from this definition are accounting and auditing functions performed in connection with the exercise of regulatory controls over public utilities, administrative supervision of grants and subsidies, and similar functions of a program nature. (For more detailed definition, see paragraph 2. of Appendix C.)
- d. Property management services - include all work incident to (1) procurement, (2) storage and issue, and (3) utilization and disposal of supplies, materials, equipment, property, and services other than personal. (For more detailed definition, see paragraph 2. of Appendix D.)
- e. Budget services - include those activities dealing with the formulation of estimates and the control of appropriations of an agency or any subdivision or unit thereof that are performed for the responsible heads of agencies, subdivisions or units by budget staff units or assistants. Work dealing with the control of appropriations includes activities concerned with the apportionment and allotment of appropriations, with analysis of financial reports on budget matters, and with personnel ceilings. This definition does not include work of personnel, accounting or organization and methods offices in preparing data for budgetary reports, maintaining allotment and other fiscal accounts, preparing financial and personnel reports or conducting management improvement studies.
- f. Organization and methods services (management engineering) - include the activities of organization and methods staff units or assistants concerned with the development and evaluation of new or improved organization, procedures, and methods for the management and control of operations; the conduct of programs for the control of administrative issuances, manuals and forms; and the conduct of programs aimed at improved work planning, work scheduling, work measurement, work simplification, etc. This

definition excludes activities of employees engaged in developing organization and procedures for the offices in which they work or for which their offices are primarily responsible (for example, the development of personnel procedures by employees of personnel offices shall be classed as personnel services, not as organization and methods services).

g. Mail and messenger services - include:

(1) Mail activities--all service operations, other than messenger activities, concerned with the receipt, distribution and dispatch of mail including intra- and inter-agency mail requiring or not requiring postage. Mail activities include (a) the receiving, sorting, opening, date-stamping, racking, reading for referral, recording for control, controlling location and timing, and other operations required to receive and control incoming mail and prepare it for subsequent distribution; (b) the sorting, reviewing, dating, inserting, labeling, weighing, packaging, stamping, sealing, addressing, and other operations required to prepare outgoing mail for delivery to the addressee; (c) the bulk transportation of mail by agency employees between the Post Office and agency mailrooms or between agency buildings. Mail activities do not include pulling of previous files or filing of mail after delivery to addressee.

(2) Messenger activities--the transportation of papers, documents or similar material between agency organizational units, and the duties of messengers assigned for special purposes such as the running of errands. Messenger activities include the work of (a) regular messengers, who handle the transportation of papers, etc., on regularly scheduled routes; and (b) special and assigned messengers, who handle the transportation of papers, etc., outside of normal schedules and customary delivery points, including those who are assigned to organizational units other than mail and messenger units for the purpose of delivering messages, materials, supplies, or running errands.

h. Executive direction - includes those functions concerned with directing, coordinating, and controlling all of the program activities of the department, agency or bureau. Operating heads of units responsible for directing only part of the activities of the agency are excluded from this definition of executive direction; operating heads of field offices are included only if their responsibilities extend to all program activities of the department, agency or bureau in their respective geographical areas.

i. Public relations and publicity work - includes preparation of material for newspapers, periodicals, and other non-Federal publications; distribution of press releases and interviewing

representatives of the press; preparation of material for and contacts with other public relations media, e.g. radio and motion pictures; preparation of advertisements (whether paid or free) except advertising related to the accession or disposal of Government property; preparation, installation, and circulation of exhibits; and preparation of publication material neither required by law nor issued primarily for internal use in the Government. This definition excludes work on publications required by law (e.g. annual reports, farmers' bulletins, internal revenue decisions, and other similar publications) or those primarily for use within the Government; the answering of correspondence from the public; and the issuance of interpretations on regulations, on orders issued under the Administrative Procedure Act, etc.

3. Instructions for preparation of Exhibit A.

- a. Reporting employment for persons dividing time between administrative services and program activities. Employment data for employees who, as a part of their regularly assigned duties, devote less than 50% of their time in the aggregate to administrative services (as listed and defined in paragraph 2. above) shall not be allocated to any classification of administrative services. (For example, the entire time of an employee who devotes 30% of his time to preparing payrolls and the balance to program work will be allocated to program activities; whereas, for an employee who devotes 30% of his time to preparing payrolls, 20% to taking stores inventories, and the balance to program work, half of his time will be allocated to program activities and the other half to appropriate classifications of administrative services.) Employment of persons who perform administrative services work on a short term, non-recurring basis shall not be reported under administrative services. The time of employees apportioned between two or more administrative services or between administrative services and program activities shall be shown in tenths of a man year.
- b. Reporting of salary obligations. Salary obligations shall be reported and, when necessary, distributed on the same basis that employment is reported and distributed. Salary obligations for both civilian and military personnel shall be reported, including, as a part of the total, basic compensation and any types of payments above basic rates included within the O1 personal services amounts as set forth in the agency's annual budget estimates. (See Secs. 46-50 of Circular A-11 Revised, as supplemented by section 303, Special Instructions for 1950 Estimates.)
- c. Reporting on functional basis. Employment and salary obligations shall be reported on a functional basis, regardless of the organizational unit in which work is performed. (For example, the time of employees engaged in payroll, leave, and retirement work will be

reported under fiscal services, not under personnel services even though such work may be performed in a personnel office.)

d. Line-item instructions.

Line 1. Copy totals from Exhibit B, line 12.

Line 2. Copy totals from Exhibit C, line 9.

Line 3. Copy totals from Exhibit D, line 4.

Line 4-6 incl. Report employment and salary obligations data for employees in the continental United States performing work on budget, organization and methods, and mail and messenger services, as defined in paragraph 2. above.

Line 7. Report employment and salary obligations data for executive direction functions and for administrative services activities in the continental United States other than those included within the definitions of personnel, fiscal, property management, budget, organization and methods, and mail and messenger services (see paragraph 2. above). List such other administrative services on a separate sheet and attach to Exhibit A.

Line 8. Total of lines 1-7, inclusive. Equals total shown in line 14.

Line 9. Report employment and salary obligations data for employees in the continental United States engaged in public relations and publicity work, as defined in paragraph 2.i. above.

Line 10. Report employment and salary obligations for all employees in the continental United States not reported on lines 1-9, inclusive.

Line 11. Total of lines 9 and 10.

Line 12. Report employment and salary obligations data for all employees outside the continental United States.

Line 13. Total of lines 8, 11, and 12.

Line 14. Total for all appropriation and fund amounts listed. Equals total shown on line 8, column B.